**COURSE NO/TITLE:** BUS 2224 -08 – CORPORATE FINANCE

**CATALOG DESCRIPTION:**
Introduction to the field of finance, including principles, techniques, and uses of finance as a business function. Study of financial information and analysis, valuation of future cash flows, valuing stocks and bonds, and capital budgeting. Focuses are on financial decision-making process and applications of NPV, IRR, and other investment rules. A financial calculator is required for this class.

**PREREQUISITES:** Financial Accounting, Statistics

**SEMESTER/TERM:** Spring 2014 Term 1

**COURSE START:** Tuesday 14, 2014

**CLASS HOURS:** 6:00-10:15


(Visit the publisher's Online Learning Center at [www.mhhe.com/rwj](http://www.mhhe.com/rwj))

**Required Calculator:** Texas Instruments BA II Plus ¹

**INSTRUCTOR:** David Hua, Ph. D., Professor of Finance

**Office**
School of Business and Management, NDNU
1500 Ralston Avenue, Belmont, CA 94002-1997

**Phone/Fax**
650-508-3678, Fax 650-508-3467

**E-mail Address**
dhua@ndnu.edu

**Office Hours**
Tuesday & Thursday, 5:00 PM to 6:00 PM at CU 12, or by Appointment

**ACADEMIC HONESTY:** Academic honesty is a cornerstone of our values at NDNU. If any words or ideas used in an assignment submission do not represent your original words or ideas, you must cite all relevant sources and make clear the extent to which such sources were used. Words or ideas that require citation include, but are not limited to, all hard copy or electronic publications, whether copyrighted or not, and all verbal or visual communication when the content of such communication clearly originates from an identifiable source. Consult the NDNU Student Handbook regarding consequences of misrepresenting your work.

**PRIVACY and CONFIDENTIALITY:** One of the highlights of the NDNU academic experience is that students often use real-world examples from their organizations in class discussions and in their written work. However, it is imperative that students not share information that is confidential, privileged, or proprietary in nature. Students must be mindful of any contracts they have agreed to with their companies.

**LEARNING and OTHER DISABILITIES** If you have a learning disability or other circumstance that requires accommodations in this class, you must bring it to the attention of Program for Academic Support and Services (PASS) to arrange for possible accommodations (650-508-3670).

**SYLLABUS UPDATES:** Refer to this syllabus for course assignments. However the course syllabus and schedule are subject to change in the event of extenuating circumstances. You will be notified of any changes made to the syllabus. In all circumstances University policies will be strictly adhered to.

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¹ This is a required item. You can buy it at local office suppliers like Staple or from Amazon.com for under $30. Please get it before school begins.
CLASS ATTENDANCE: Your attendance is very important to your studies at the University. Non-attendance or lack of participation in the class will be considered during the grading process. Intensive classes require a stringent absence policy since even once absence may significantly affect achievement of course learning objectives. With only 28 class contact hours as opposed to the traditional 45 contact hours, all class time is critical. A student who misses more than one class period or the equivalent (four accumulated hours) must withdraw from the class and will be assigned a failing grade for the course unless officially dropping the class. It is the student’s responsibility to initiate the drop or withdrawal. There are no exceptions.

WORKLOAD: In addition to class attendance, every Intensive class at NDNU includes assignments estimated to take approximately three (or more) hours per week per unit outside of class (14 hours). The distribution of average weekly hours of instruction/study for this class will follow that norm, equaling a total of 18 hours a week, generally in accordance with the following:

<table>
<thead>
<tr>
<th>Distribution of Average Weekly Hours of Instruction/Study = Total of 18 per week</th>
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<tbody>
<tr>
<td>Class Contact Hours:</td>
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<tr>
<td>Text Readings and Note Taking</td>
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<tr>
<td>Research and Writing Assignments</td>
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<tr>
<td>Term Projects Research</td>
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<td>TOTAL NUMBER OF HOURS PER COURSE</td>
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WRITTEN ASSIGNMENTS: The School of Business and Management requires the use of the American Psychology Association (APA) publication guidelines as a standard for all papers. If you need help with your writing or need more information about writing in the APA format, please make an appointment at the NDNU Writing Center. You can also visit the APA Style webpage at www.apastyle.org/previoustips.html.

COURSE MATERIAL - Published Textbook Information In accordance with the federal Higher Education Opportunity Act, to the extent practicable, NDNU makes textbook information available as part its class schedule. NDNU makes every effort to ensure the accuracy of the textbook information provided. Due to issues such as textbook availability, errors, and academic reasons, NDNU may need to change textbook information that has been published. NDNU cannot take financial responsibility when a student purchases a non-refundable textbook and a change occurs to published textbook information. Students wishing to avoid this risk, should purchase textbooks from sources that allow returns for refunds, such as the NDNU Bookstore managed by Follett.

COURSE LEARNING OBJECTIVES: (all fulfilling Intensive Business PLO #1 – To acquire and demonstrate analytical and problem solving skills within various disciplines of business—accounting, economics, finance, management and marketing;)

1. To evaluate and interpret financial statements using methods such as common size comparisons, ratio analysis, cash flow and working capital management
2. To understand the concept of the Time Value of Money and apply it to typical business/financial issues such as capital expenditure analysis, discounted cash flow, and bond valuation
3. To learn and understand the concepts of risk and return...specifically expected returns, systemic and unsystemic risk, beta, and the security market line
4. To understand the meaning of Cost of Capital, how it is determined, calculated and used in financial applications

Class Administration and Assignments

1. Attendance is required. Please contact the instructor if a conflict should prevent you from attending the class.
2. Please sign on with the NDNU campus portal (https://campusportal.ndnu.edu/ics/) All the lecture notes and homework solutions will be posted online (under the course title BUS2224-08). Download and print them out.
3. The class schedule gives the reading assignments. Students must read the chapters before they are covered in class. For the first class, please read the chapters as indicated in the syllabus. Please start learning how to use the financial calculator ASAP!
4. You don’t need to turn in your homework. But they should be done in the week as indicated in the schedule. We will review some of the problems at the end of next class, if time permits.
5. In addition to the homework problems, students are encouraged to read the “Critical Thinking and Concepts Review” sections at the end of each chapter.
6. Selected questions and problems from each chapter are assigned as exercises. Those are good indications as to what will be tested in the exams.
7. The publisher has provided updated self-study software for you to download on their web page. With this program, you can test your knowledge by using self-grading questions written specifically for this textbook.
8. If the student's disabilities fall within ADA, please inform the Professor at the beginning of the course of any special needs or equipment necessary to accomplish the requirements for this course, and present the completed Student Academic Accommodation Request (SAAR) form. Any student seeking accommodations for handicaps must first obtain a written and completed evaluation SAARs form from the University's Program for Academic Support and Services for each course. This form is to be presented at the beginning of the course to the professor. Contact PASS office at pass@ndnu.edu or (650) 508-3778 (http://www.ndnu.edu/pass).

Exams

Both midterm and final will be open-book.

Students should consult the current university bulletin for university policies regarding incomplete and withdrawals.

Grading

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<td>Week</td>
<td>Topics and Readings</td>
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| 1    | Overview of Financial Management  
Ch. 1 Introduction to Financial Management  
Ch. 2 Financial Statements, Taxes, and Cash Flow | 1(Critical Thinking) - 1, 3, 5, 6; 2- 1, 2, 5, 6, 8, 10, 15, 19. | 
| 2    | Valuation of Future Cash Flows  
Ch. 4 Introduction to Valuation: the Time Value of Money  
Ch. 5 Discount Cash Flow Valuation  
Appendix D: Using the TI BAII Plus Financial Calculator | Bring in your TI BA II Plus calculator!  
4- 2, 3, 4, 5, 8, 10, 17, 24.  
5- 1, 4, 5, 8, 10, 13, 15, 19  
“TVM Exercises” | 
| 3    | Valuing Bonds  
Ch. 6 Interest Rates and Bond Valuation | 6- 1, 3, 4, 5, 6, 18. | 
| 4    | Capital Budgeting  
Ch. 8 NPV and Other Investment Criteria | 8- 1, 5, 6, 7, 8, 9, 13, 16. | 
| 5    | Risk and Return  
Ch.10 Some Lessons from Capital Market History  
Ch.11 Risk and Return | 10- 7, 8, 17, 21;  
Chapter Review 11.1, 11- 5, 7, 13, 14, 15. | 
| 6    | Long-Term Financing  
Ch.12 Cost of Capital | Chapter Review 12.1, 12.2;  
12- 1, 6, 7, 9, 10. | 
| 7    | Final Exam | | 

2 The above schedule and assignments are for guidance only and may change in the event of extenuating circumstances.

3 Unless it is specified as from the section of “Critical thinking and Concept Review” or “Chapter review”, all home assignments are from the end-of-chapter “Questions and Problems” sections. You can check Appendix C for answers, or see the solutions posted online.